New companies get boost from Los Alamos National Security

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Venture Acceleration Fund awards help region's businesses grow

LOS ALAMOS, New Mexico, November 19, 2012— Two local biotech start ups, a water and power company and a hardware inventor are the latest recipients of $165,000 in Venture Acceleration Fund (VAF) awards from Los Alamos National Security, LLC.

Mustomo, Inc., IX Power, Synfolia, and Tape-Ease will receive funding to take their products and services to the next development level. Three of the four companies are commercializing technology and intellectual property developed by New Mexico's national laboratories and educational institutions.

"Although the program was originally intended to commercialize Lab technologies, VAF frequently funds companies with no tie to LANL or research institutions," says David Pesiri, the Laboratory's Technology Transfer Division leader. "This round of VAF

funding represents a special opportunity to push national lab and research institution technology into the marketplace, and to build upon other tech transfer efforts such as Labstart."

Breast Cancer Detection Aided

Mustomo, Inc. of Los Alamos received $100,000 to commercialize novel LANL technology for breast cancer screening and detection. The ultrasound-based, three-dimensional tomography system has significant advantages over x-ray mammograms and ultrasound screenings in that it is safe, comfortable, high-resolution, and easy to administer. In conjunction with clinical trials at the University of New Mexico Medical Center, Mustomo will use its VAF award to complete an operator manual, procedural guide, quality assurance and test plans, and to implement on-site training and test result review. The company will also prepare a preliminary FDA filing to enter the marketplace.

Mustomo, Inc. is a spin off of LANL's Labstart program, a joint partnership between Arch Venture Partners and Verge Fund that is under contract with LANL to help identify and create start-up companies.

"I am excited about and appreciate the support from VAF," says Denis O'Connor, CEO of Mustomo, Inc. "This grant will greatly enhance our ability to commercialize this cutting edge technology in breast cancer assessment developed at Los Alamos National Laboratory."

Powering Up

IX Power of Los Alamos received $30,000 to acquire a first customer for Trans-Ex, a software package developed at LANL to optimize electric power grid supply and delivery configuration. IX Power will partner with Local Power of Marshall, CA to identify candidate sites and market opportunities for renewable and efficiency deployments in San Francisco. The team includes six IX Power founders, led by CEO John R. (Grizz) Deal, former LANL Computer Research & Applications Group Leader Vance Faber, and former LANL scientist Jonathan Bradley. Gaspar Loren Toole of Los Alamos will provide technical assistance to the company through the New Mexico Small Business Assistance (NMSBA) program.

IX Power expects to expand its workforce from nine full-time employees to more than 100 employees in the next year. "The VAF grant is critical to our ability to successfully commercialize the TransEx technology," says John R (Grizz) Deal, IX Power's chief executive officer. "This kind of shared risk, between public sector inventors and private sector marketers, is a unique and vital partnership and a model for other labs and public institutions."

Biodegradability Testing

Synfolia of Santa Fe received $20,000 to conduct materials and biodegradability testing for tailored tissue scaffolds that regenerate epidermal and bone tissue. The company has exclusive rights to commercialize technology that was developed jointly by the University of New Mexico and Sandia National Laboratories. The company's bioengineered scaffolds improve upon products currently used for tissue generation because they use the patient's own cells and degrade easily without the problems of inadequate supply. Synfolia's team includes Elizabeth Dirk, Ph.D. of the University of New Mexico; Shawn Dirk, Ph.D. and Stephen P. Buerger, Ph.D. of Sandia National Laboratories; and Dr. Reza Shekarriz.

“The VAF is a valuable tool for early stage start-ups like Synfolia,” says John Chavez, CEO of Synfolia. “The VAF process makes entrepreneurs focus on specific milestones that move them to the next level.”

Measuring Up

Tape-Ease received $15,000 to manufacture and market its products through trade shows, merchandising, and video production. The woman-owned, Santa Fe-based company invented practical tools that attach to a standard one-inch tape measure, enabling accurate and quick measurements by a single person. In the past year, Tape-Ease secured a manufacturer and began distribution. Initial marketing resulted in a phenomenal response, prompting Tape-Ease to seek VAF support to capitalize on momentum. The project team includes founders Lisa and Linda Johnson, and partners Michael Rafter and Eldon Goates.

The VAF award came at the most opportune time for Tape-Ease, whose founders have personally funded the company to date. “The funding allowed us to accelerate our momentum in fulfilling orders and marketing our products,” says Tape-Ease founder Linda Johnson. “By helping us attend the International Builders Show for the first time, VAF opened the door to distributors from all over the world. VAF has been a lifeline for Tape-Ease. We're so grateful!”

About the Program

Los Alamos National Security, LLC, manager of Los Alamos National Laboratory, invests $1 million per year in economic development through a program known as Los Alamos Connect. Los Alamos Connect promotes VAF and a variety of other business development programs. The VAF efforts have generated a $24 million return in the regional economy on a $2.46 million LANS investment and helped create or retain 48 jobs.